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C O N F I D E N T I A L SECTION 01 OF 02 SOFIA 000619

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TAGS: [PREL](#) [EUN](#) [MARR](#) [YI](#) [RS](#) [LY](#) [BU](#)
SUBJECT: BULGARIAN PRIME MINISTER GETS A COLD SHOWER FROM
PUTIN ON MISSILE DEFENSE, KOSOVO

REF: SOFIA 611

Classified By: A/DCM Brad Freden, reasons 1.4(b) and (d).

11. (C) SUMMARY. President Putin told Bulgarian Prime Minister Stanishev May 8 that the proposed U.S. missile defense sites in Poland and the Czech Republic are part of a "unified, strategic offensive system." Russia will not support the Ahtisaari plan because it will leave the Serbs feeling aggrieved and "they will blame Russia for eternity" if the UNSC endorses it. Putin noted that "Serbia wants to join NATO and the EU," so it is not in Russia's interest to see a speedy resolution of Kosovo's status. He complained of an imbalance in conventional arms in Europe, said he wanted a Cooperation Agreement with the EU "but not at any cost," and promised to look into the possibility of forgiving part of Libya's debt to Russia in order to facilitate the release of the five Bulgarian nurses imprisoned there since 1999. Putin put on a smile, but also showed teeth on energy (septel). He ended up taking swipes at everyone except Bulgaria, a sign that Russia still holds out hope of increasing its influence here. That said, except in the energy sector, Bulgaria's relations with Russia are largely an example of the triumph of form over substance. END SUMMARY.

12. (C) Stanishev's Foreign Policy Advisor, Valentin Radomirski (protect), gave us a readout May 17 on the PM's May 7-8 visit to Moscow, where he met with Putin, PM Fradkov and others. Much of the discussion focused on trade and energy issues (reftel), with Bulgaria seeking ways to lessen its USD 3.7 billion trade deficit with Russia. Stanishev got nothing concrete out of Putin in this respect. However, in the best old-think tradition, the Russian leader did agree to declare 2008 "the year of Russia in Bulgaria," to be followed in 2009 by "the year of Bulgaria in Russia." Radomirski assured us that Russia would "spend a lot of money in Bulgaria" as part of these events, and the sides would look to build scientific, cultural, and education exchanges.

13. (C) Although Stanishev got a much warmer welcome than FM Kalfin, whose December 2007 visit was marked by Russian hectoring on arms licenses and other issues, Putin did not mince words. He accused the U.S. of essentially attempting to negate the Russian nuclear deterrent with its missile defense system. As a result, "Europe will be a new target for Russian nuclear weapons," Putin told Stanishev. He said the U.S. is "not telling the truth" when says it that its defensive systems are meant to guard against attacks from Iran and North Korea.

14. (C) Kosovo's independence will set a precedent "for Scotland and Catatonia," Putin said, not to mention the frozen conflicts on the territory of the former Soviet Union. It will also be "the first step toward Greater Albania and a

Muslim spike in Europe." Putin told Stanishev that unilateral recognition of Kosovo's independence by Member States could threaten Russia's relations with the EU. Putin then segued into a diatribe against Poland for "buying meat from Argentina and selling it to Russia," presumably at a hefty mark-up.

15. (C) Turning to the CFE treaty, Putin averred that Russia had reduced conventional forces stationed on Europe's flanks, but its partners had not. The most positive thing Radomirski could say about the entire discussion of political and security issues was that Putin did not mention Bulgarian arms sales to Georgia.

16. (C) The discussion of economic issues was far less contentious. Putin urged Stanishev to resolve the issue of licenses for Soviet-designed weapons produced in Bulgaria, noting that resolution of the issue with Hungary had opened up new possibilities for joint ventures. The two leaders discussed the creation of direct transport links that would allow Bulgarian goods to enter Russia (and vice versa) without having to cross up to four international borders, as is currently the case. They also agreed to strengthen scientific cooperation, e.g., in nano-technology. Putin said Russia was willing to develop joint ventures on Bulgarian territory that are "fully financed by the Russian side." Finally, Putin agreed to consider a January 2008 visit to Bulgaria to kick off the above-mentioned year of Russia in Bulgaria.

17. (C) COMMENT. Radomirski was not in the restricted meeting, but gave us an unvarnished account reading directly from the memcon. There was no Russian lecturing as with the Foreign Minister's December visit, but also no give, as Putin

SOFIA 00000619 002 OF 002

ticked off Russian complaints against the West. Putin took a softer line bilaterally than had been the case earlier, avoiding contentious talk about licensing issues and arms sales to Georgia, while at the same time stroking Bulgaria with blandishments of new energy deals and more investment. Bulgarians are smart enough, however, to realize that Russia has little to offer them economically beyond a multi-billion dollar trade deficit. They also fully understand that Russia is playing a geo-strategic game to increase its influence. Bulgaria has already voted with its feet, making a decisive choice in favor of trans-Atlantic political, economic and security integration. Despite this, the Russians it seems, have not given up trying to steer them back into the fold with a combination of pressure and favors.

Karagiannis